

INFORMATION LETTER

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NATIONAL CANNERS ASSOCIATION

For Members
Only

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TRADE PRACTICE COMMITTEE TO MEET

Session Will Be Held at Washington August 13th—Personnel of Committee

In furtherance of action taken by the Board of Directors of the Association at its meeting in Chicago on July 17th, President Orr has called a meeting of the Trade Practice Committee which he was authorized to name, the meeting to be held at the Association's Washington office on August 13th. This Committee, according to the resolution adopted at Chicago, is "to investigate the possibility of formulating and submitting for the approval of the Federal Trade Commission a series of trade practice rules that will clarify and amplify for the canning industry the interpretation to be given to the provisions of the Robinson-Patman Act."

In accordance with the terms of the resolution authorizing the Committee's appointment—that it contain representatives of both member and non-member companies—President Orr has named to the Committee many of the members of the former Canning Code Authority.

It will be recalled that the first Code Authority was named by the Association's Board of Directors and approved by the Government as representative of the entire industry, and that later a Code Authority was elected by a vote of all canners regardless of their membership in the Association, with provision specifically made for representation of non-members on the Code Authority. It will also be recalled that a committee of the Code Authority had given considerable study to the subject of trade practices prior to the dissolution of the N. R. A.

The membership of the Trade Practice Committee named by President Orr is as follows:

Ralph O. Dulany
Fruitland, Md.

E. E. Chase
San Jose, Calif.

Walter L. Graefe
Griffin, Ga.

F. A. Harding
Watertown, Mass.

H. F. Krimendahl
Celina, Ohio

C. E. Lindsey
Highlands City, Fla.

Porter S. Lucas
Crane, Mo.

Harry E. MacConaughy
San Francisco, Calif.

K. K. Mayer
Brighton, Colo.

W. A. Miskimen
Indianapolis, Ind.

R. C. Paulus
Salem, Oreg.

George E. Sanders
Fayetteville, Ark.

A. F. Schroder
Winneconne, Wisc.

F. A. Stare
Columbus, Wisc.

E. S. Thorne
Geneva, N. Y.

E. F. Trego
Hoopeston, Ill.

C. M. Wahers
Chicago, Ill.

H. A. White
San Francisco, Calif.

Canadian Fisheries Production In 1935

The value of Canadian fisheries products in 1935 was one per cent larger than in 1934 and the highest recorded since 1931, a report to the Commerce Department from the commercial attache at Ottawa shows.

The output of the fishing industry of Canada during 1935, including fresh water and sea fish sold fresh and in all forms of preparation for consumption, was valued at \$34,427,854. The sea fisheries catch was valued at \$29,175,400 and that of the inland fisheries, from fresh water, was valued at \$5,252,454.

Salmon caught in 1935 was valued at \$12,540,307 and accounted for 36 per cent of the aggregate value of all fisheries products for the year. Of the salmon, 96 per cent was caught and processed in British Columbia, all other provinces combined producing 4 per cent. Salmon was processed in cans to the value of \$9,663,305. Canned salmon exports in 1935 increased to 1,059,329 cases. Because of its preponderance in the salmon industry, British Columbia occupied first place in the fisheries industry, Nova Scotia being second and New Brunswick third.

The catch of lobsters during the year was valued at \$4,378,742. Codfish ranked third in value with a total of \$2,758,140. The Atlantic coast provinces produced 98 per cent of the cod and all of the lobsters. Herring, whitefish, sardines, halibut and haddock were also marketed in substantial volume.

The total capital employed in the Canadian fisheries industry in 1935 was \$26,476,918, of which sea fishing accounted for \$22,003,710 and fresh water fishing \$4,473,208.

CONDITION OF CANNING CROPS

Relief from Heat and Drought Received In Only a Few Areas

Telegraphic reports to the United States Weather Bureau supplemented with information from state associations and canners, indicate the following weather and crop conditions for the week ending August 4, 1936.

MAINE.—This section was practically rainless during the week ending August 4. Soil moisture, however, is reported to be adequate.

NEW YORK.—The drought in the central and western parts of the state is much more critical. Corn is small and making slow growth. There was little or no rain during the past week.

MARYLAND.—Packing of corn and tomatoes has begun in this section in a limited way. Corn is very good quality and yields are fair. Tomatoes are in fairly good condition, but of course the crop will be determined by weather conditions during the remainder of the season.

OHIO.—The southern part of the state was warm, with a few scattered rains. Rain is needed very badly in some sections. Progress and condition of corn ranges from poor to fair, with early planted corn almost a complete failure in some sections. The northern part of the state had a few good rains during the week and as a result late corn is in very good condition. In some sections early corn is also in good condition. A few plants have started packing some early yellow corn. They report very shallow kernels and a smaller cut off than was expected. Tomatoes in the northern part of the state show very good color. Stalking vines are in position to yield normal crop if weather conditions are favorable.

INDIANA.—The condition in northern Ohio extends over into Indiana for 30 or 40 miles. West of that in northern Indiana extreme dry hot weather had damaged corn, especially early varieties, to the point where recent rains were not materially beneficial. Southern Indiana had very little rain during the week. Early corn is practically destroyed. Late corn still has a chance. The State Association estimates about a 35 per cent normal pack from late corn. It also reports that tomato conditions are very spotted. In a few sections plants are in condition to yield a normal crop if weather during the remainder of the season is favorable and there is a late frost. Other sections may not yield over 50 to 60 per cent of the crop even though conditions are favorable.

ILLINOIS.—Temperature in Illinois during the week was lower, which helped some crops. The condition of corn is reported to be generally poor. About four-fifths of the crop has tasseled with half of tassels burned. Ears are forming small and filling poorly. Damage is reported to be fully 50 per cent, and increasing daily. Driest areas report corn suitable for fodder only. Grasshoppers and chinch bugs causing considerable damage in some local areas.

WISCONSIN.—Temperatures above normal with little rain. Corn is tasseling and shooting. The prospects for pollenization are poor.

MINNESOTA.—Minnesota reports no rain. Corn crop maturing very slowly, with very light yields indicated. Many early fields are a total loss. Crop estimated to be roughly 25 per cent of normal.

IOWA.—Temperatures have been moderate during the week but dryness is most severe in 64 years. Rainfall from April 1 to August 1 was 7.32 inches, which is the lowest on record. Scattered rains during the first week of August, however, brought some relief to late corn. In the southern and western parts of the state, crop is reported to be fit for fodder only. The best section is in the east-central part, where pollenization has been poor and ears are filling very poorly.

LOUISIANA HAS NEW FOOD LAW

Modeled After Copeland Bill—Requires Registration of Products

Canners have received from the Food Commissioner of the state of Louisiana copies of the revised Foods, Drugs, and Cosmetic Act recently adopted by the Louisiana State Legislature effective July 6, 1936.

The new state Act is modeled after the Copeland Bill as it passed the Senate, a majority of the provisions of the

Louisiana law having been taken bodily from the Copeland Bill, except in a few places where the terms of the House revision were adopted. Certain sections not in the Copeland Bill are added.

Canners are generally familiar with the Copeland Bill, which failed of enactment at the last session of Congress. Among the provisions in the Louisiana law that are modeled on the Copeland Bill are those relating to adulterated foods and misbranding and to authority given the State Board of Health to promulgate regulations "fixing and establishing for any food a definition and standard of identity and a reasonable standard of quality or fill of container." This last provision authorizes regulations of the type set up under the McNary-Mapes Amendment by which a single minimum standard of quality may be established for a product. It is required by the new Louisiana law that all products which are below the minimum standards that are established shall bear a statement to that effect.

One section not derived from the Copeland Bill and of vital importance to canners relates to the registration of food products sold in Louisiana. This is Section 17, which provides—

"(a) The Board [of Health] is authorized (1) to conduct examinations and investigations for the purposes of this Act or through officers and employees of the Board; (2) to require all manufacturers, packers, or proprietors of processed foods, proprietary or patent medicines, prophylactic devices, and cosmetics, in package form, to register each separate and distinct product annually with the Board and to supply this Board with a sample of each such product upon request; and (3) to assess the manufacturers, packers, or proprietors of such products an annual examination and investigation charge; *Provided* that the charge shall not exceed Five Dollars (\$5.00) for any one separate and distinct product registered, and that the total examination and investigation charge to any one manufacturer, packer, or proprietor shall not exceed One Hundred Dollars (\$100.00) annually.

"Manufacturers, packers, or proprietors of ice cream, soft drinks and non-alcoholic beverages, except non-alcoholic fruit juices, shall be exempted from the payment of examination and investigation charges here authorized since they are now required to pay a similar fee under the provisions of Act 214 of 1928 and Act 201 of 1924. Manufacturers, packers, or proprietors of products offered for sale or sold at retail only in their own establishments shall be exempted from the payment of the examination and investigation charges here authorized.

"When manufacturers, packers, or proprietors of products furnish evidence that such products have been registered with the United States Government, and that such products are produced under the supervision of and have not been disapproved by the United States Government, such registration shall be accepted, without the furnishing of labels or samples of such products.

* * *

"(c) Failure of any manufacturer, packer, or proprietor of a product, included in paragraph (a) of this section, to register same with the Board shall cause the sale of such product to be stopped and shall subject such article to seizure and condemnation. The submission of a catalog and

specimens of labels for products to be registered will constitute satisfactory compliance for registration."

Several questions arising from these provisions as to registration of products can be definitely answered only by rules or regulations interpreting the law. One question concerns the meaning of the term "each separate and distinct product." This may mean that only each generic class must be registered; on the other hand it may mean that each individual type or variety of product must be registered. The provision of Subsection (c) as quoted above that submission of a catalog and specimens of labels for products to be registered will be a satisfactory compliance with the law, seems to indicate that canners will probably be required to register each individual variety or type of product that they sell in the state.

The Act exempts from these requirements all soft drinks and non-alcoholic beverages "except non-alcoholic fruit juices." Canned fruit juices thus appear to be covered by the terms of the Act.

The provision in Subsection (a) with reference to products that have been registered with the United States Government would seem to exempt packers who are under Government inspection from the requirement to register their products.

The duty of registering the products is primarily imposed on the manufacturers and processors of canned foods. (The word "proprietor" as used in the Act probably refers to proprietors of proprietary and patent medicines.) Where canned foods are sold to a jobber or wholesale dealer and later resold by him in Louisiana either under the manufacturer's or his own private label it is not clear whether the primary duty of registration would be upon the manufacturer. The terms of the Act are not definite on this point, and the exact procedure to be followed in cases of this sort will probably not be known until regulations have been issued by the State Board of Health.

It should be noted that there are no penalties imposed upon the manufacturers for failure to register their products, but the goods themselves are subject to seizure if not registered.

The registration requirements are applicable to all manufacturers and processors who sell in Louisiana, with the exception of manufacturers selling at retail in their own establishments, irrespective of whether their business is interstate or intrastate in character.

SALMON SEIZURE PROCEDURE

Order of Federal District Court in Southern Washington of Interest to Canners

An order issued by Judge Edward E. Cushman in the U. S. District Court, Western District of Washington, on July 7th, in a seizure case involving 9,521 cases of salmon, established a precedent in that it provided for segregation by code numbers of the 39 separate lots included in the seizure, the simultaneous release to the government representatives and to a representative of the National Canners Association of samples from these lots, and the provision that the defendant or its representatives have the right to be present and attend the examination and testing of the samples to be made by the government, with the government having

an equal right to be present and attend the examination of samples made by the defendant.

Under this procedure the defendant in the case is not required to plead on the basis of the seizure as a whole prior to the separation of the parcel into separate lots and the examination and testing of these separate lots.

Indexes Relating to Sale of Canned Foods

The following indexes were obtained from published reports of the Bureau of Labor Statistics and are based on the average for 1923-25 as 100 per cent:

	July 25 1936	July 18 1936	July 11 1936	July 4 1936	July 27 1935
WHOLESALE PRICES					
All commodities.....	80.2	80.1	80.3	79.5	79.2
Foods	81.0	81.3	81.8	80.8	82.2

	July 14 1936	June 30 1936	June 16 1936	July 16 1935
RETAIL PRICES				
All foods	84.0	84.2	83.8	80.2
Fresh fruits and vegetables.....	81.9	87.0	87.1	60.6
Canned fruits and vegetables.....	78.8	78.4	78.3	84.5

British Canned Fruit Imports

Canned fruit imports at the principal British ports during the five weeks ended June 27th were 916,346 cases, an increase of 71,000 cases over the corresponding period last year, according to the Department of Commerce.

Imports of Japanese Canned Foods

In the following table are shown the quantity and value of the principal canned food items imported into the United States from Japan during the first half of 1935 and 1936, along with the imports of the same commodities from all other countries:

	1935		1936	
	Pounds	Value	Pounds	Value
Tuna:				
Japan	3,870,649	\$611,125	3,458,615	\$595,154
Other countries	522,441	48,007	826,737	65,905
Crab meat:				
Japan	3,693,878	1,287,234	3,129,090	1,105,398
Other countries	1,173,180	245,385	1,302,977	275,355
Clams and oysters:				
Japan	528,091	120,502	675,060	144,361
Other countries	88,062	28,651	83,109	19,094
Fish not in oil:				
Japan	739,249	65,547	1,624,506	113,192
Other countries	6,522,675	479,099	8,851,631	676,987
Pineapple:				
Japan	2,190,668	100,517	2,129,862	98,176
Other countries	1,237,410	63,491	1,686,492	90,736
Peas:				
Japan	18,123	1,051	60,462	2,896
Other countries	596,251	45,145	75,222	6,090
Mushrooms:				
Japan	40,699	8,656	48,599	8,415
Other countries	254,199	85,176	148,596	54,588
Other vegetables:				
Japan	35,350	1,482	33,296	2,225
Other countries	60,126	3,819	113,247	5,665

British Malayan Pineapple Exports Rising

Exports of canned pineapple from British Malaya are rising rapidly, according to the American trade commissioner at Singapore. In the past year the total acreage planted to pineapples increased by 4,342 acres.

Japan Raises Canned Crab Prices

Minimum prices on Japanese fancy canned crab have been increased effective August 1, 1936, for sale to the United States, Canada, Australia and in Japan, according to the American trade commissioner at Tokyo. The new prices on fancy grade are: One-half pound, 52 yen; one pound, 50 yen; one-quarter pound, 31.50 yen.

Australia's Canned Fruit Shipments

Exports of canned fruits from Australia from January 1st to May 31st amounted to 628,000 cases of one dozen 30-ounce cans, compared with 699,000 cases in the corresponding period of 1935, according to the Commonwealth Canned Fruits Control Board. Apricot shipments amounted to 102,000 cases, which exceeded 1935 shipments by 20,000 cases. Peach shipments amounted to 303,000 cases, or 59,000 cases fewer than 1935. The pear shipment of 220,000 cases was 9,000 cases lower. Exports of pineapples fell from 27,000 cases to 2,000 cases.

Fruit and Vegetable Market Competition

Carlot Shipments as Reported by the Bureau of Agricultural Economics, Department of Agriculture

	Week ending			Season total to	
	Aug. 1	Aug. 1	July 25	Aug. 1	Aug. 1
VEGETABLES	1935	1936	1936	1935	1936
Beans, snap and lima..	50	34	58	9,439	7,779
Tomatoes	147	221	258	18,547	18,106
Green peas	193	278	213	5,360	5,523
Spinach	10	9	12	5,472	7,439
Others	1,622	1,054	1,830	103,448	118,591
FRUITS					
Citrus, domestic	2,044	1,833	2,013	131,791	116,745
Imports	27	5	—	488	698
Others, domestic	3,125	5,420	5,743	18,089	22,002

Sales and Collections by Wholesalers and Manufacturers Show Gains

Sales of goods both by manufacturers and wholesalers showed substantial gains in June compared with the same month last year, according to a survey made jointly by the Bureau of Foreign and Domestic Commerce and the National Association of Credit Men.

Total net sales of 1,090 reporting wholesale houses increased about 19 per cent over June, 1935. June sales registered an increase of approximately 2 per cent over May. All of the wholesale trade groups covered by the survey, with the exception of the clothing and furnishings group, had increased sales for June over the same 1935 month, with

building lines showing the most favorable improvement and consumption goods the least favorable improvement. Accounts receivable data, submitted by 501 wholesalers, indicated that 72 per cent were collected, as compared with 68.3 per cent for June, 1935, and 70.7 per cent for May, 1936.

Total net sales of 543 manufacturers throughout the country reported an increase of about 33 per cent over June, 1935. June sales were 3 per cent higher than in May. Of accounts receivable on June 1, 517 manufacturers reported that 81.1 per cent were collected as compared with 78.6 per cent in June, 1935, and 79.4 per cent in May, 1936.

Temperature and Rainfall Records

The following table gives the average temperature and total rainfall in various districts for each of the last two weeks, as shown by the U. S. Weather Bureau reports for selected stations:

District	Week ended		Week ended	
	July 28, 1936		Aug. 4, 1936	
	Temp.	Rain	Temp.	Rain
Maine	65	.1	72	.1
Western New York	69	.9	72	.3
Tri-States	76	2.6	77	.0
South Central Ohio	78	1.7	75	.0
Central Indiana	81	.1	76	.1
Central Illinois	83	.9	76	.0
Northern Illinois, Southern Wisconsin	76	.1	74	.0
Southern Minnesota	78	.0	74	.0
Northern Colorado	80	.9	70	1.7
Northern Utah	83	.4	78	.0
Northwestern Washington	66	.0	68	.0
Southeastern Washington	77	.0	79	.0

Production and Stocks of Canned Milk

	1936	1935	Change
	Pounds	Pounds	Per Cent
Manufacturers' stocks (case goods, July 1):			
Evaporated (36 firms)	186,147,464	287,062,895	- 35.15
Condensed (8 firms)	11,275,251	16,511,339	- 31.71
Total production, June:			
Evaporated (35 firms)	251,534,154	252,688,590	- 0.46
Condensed (7 firms)	4,127,121	4,602,963	- 10.34

CONTENTS

	PAGE
Trade practice committee to meet	5023
Canadian fisheries production in 1935	5023
Condition of canning crops	5023
Louisiana has new food law	5024
Salmon seizure procedure	5025
Indexes relating to sale of canned foods	5025
British canned fruit imports	5025
Imports of Japanese canned foods	5025
British Malayan pineapple exports rising	5026
Japan raises canned crab prices	5026
Australia's canned fruit shipments	5026
Fruit and vegetable market competition	5026
Sales and collections by wholesalers and manufacturers show gains	5026
Temperature and rainfall records	5026
Production and stocks of canned milk	5026